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3 October 1961

To Director

Boash

MEMORANDUM FOR: Board of Directors, GEHA

SUBJECT : Special Meeting

It is felt necessary that a special meeting be called to consider certain problems on which the Board of Directors must act. The date of the meeting will be set shortly at a time convenient to the members of the Board. The items for consideration at the meeting are set forth below.

- (a) Health statement, Emergency Travel Insurance.
- (b) UBLIC proposal for insurance coverage for spouse and dependent children.
- (c) UBLIC Return Premiums. Memoranda pertinent to (a) and (b) are attached hereto.

SIGN'D

[Redacted]  
Chairman, Board of Directors  
GEHA

25X1

Attachment:  
As noted

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COPY

MUTUAL OF OMAHA

Omaha, Nebraska

September 15, 1961

STATINTL

[redacted]  
Washington, D. C.

Government Employees Health  
Association Dependent Life  
Insurance

Dear Joe:

I recently received a letter from Len Payne indicating that they would like further information in regard to dependent life insurance under the GEHA group life program. This program, as you will recall, would be similar to the War Agency's Protective Association group program.

We would propose the same program as that offered by The Equitable to the WAEPA which would be as follows:

Spouse	\$1000
Dependent Children:	
2 weeks and under 6 months	100
6 months and under 2 years	200
2 years and under 3 years	400
3 years and under 4 years	600
4 years and under 5 years	800
5 years and under 19 years	1000

We would propose to charge the individual 30¢ per month per family. Based on an 80 per cent participation, the total cost would be \$12,312 annually of which the insured members would pay \$6,156, or 50 per cent of the cost. The actual rate figures out at 72¢ per family, and on this basis we would figure a 40 per cent mortality loss which theoretically would be approximately \$6,000 in death claims annually.

2357  
204  
21722

COPY

STATINTL

[Redacted]

Page 2  
September 15, 1961.

Government Employees Health  
Association Dependent Life  
Insurance

The contribution on the part of the GEHA would, of course, be taken from their earned dividends each year, but on the basis of this mortality prediction, we would assume that the entire mortality cost would be paid for by the contributions on the part of the individual members, and the GEHA basic life program would be charged only for a very small administrative charge on this portion of the program. They must realize, however, that in the event of any mortality in excess of our predictions, this would also be charged against the basic program; but we feel that this would be exceptional.

If Len wishes us to proceed with this program, please let us know, and we will draw up proofs of brochures to be used in solicitation.

Yours sincerely,

A. W. Randall  
Vice President

AWR:ES

C O P Y

September 20, 1961

MEMORANDUM FOR: Chairman, GEHA Board of Directors

S U B J E C T : Health Statement on Named Person,  
Emergency Travel Applications

1. At the Board of Director's meeting of August 9, 1960, a recommendation that a health statement on the life of the named person be secured in connection with applications for Emergency Travel coverage, was approved.

STATINTL  
2. This action resulted from a letter of complaint from [redacted] on behalf of the Underwriter of the Emergency Travel Plan. The number of claims had been out of proportion compared with our small number of policyholders.

3. The requirement of this health statement which was not instigated by the Underwriter, but rather by us, is causing some hardships on applicants, especially since the time factor of their leaving makes it difficult for them to obtain this information from a named person in some other location in the U. S. A.

4. Since the two questions on the application, copy attached, do give a check on the health of the named person, and since the additional information obtained by means of the health statement do not greatly assist in the underwriting, it is recommended that the use of the health statement be discontinued.

5. If the Board concurs, the above recommendation will be put into practice.

/s/

[redacted]  
President, G. E. H. A., Inc.

STATINTL

Attachment: Application

**APPLICATION**

Policy No. \_\_\_\_\_

Certificate No. \_\_\_\_\_

Name of Purchaser \_\_\_\_\_

Name and relationship of Designated Person authorized to make trip in lieu of Purchaser \_\_\_\_\_

Purchaser's Mailing Address \_\_\_\_\_

Zone \_\_\_\_\_

Name and address of bank to which advance payment is to be transmitted  by check; or  by sterile payment \_\_\_\_\_

Premiums: The below-mentioned premiums provide coverage for 75% of transportation cost caused by illness or death of persons listed below for a period of one year from the time this application is accepted by the company, subject to a maximum of \$1500.00.

AGE			FIRST NAMED PERSON	
0-49	50-64	65-69	Name _____	Age _____
\$32.00	\$40.00	\$50.00		
43.00	53.00	67.00	Address _____	

**ADDITIONAL NAMED PERSONS**

\$13.00	\$21.00	\$31.00	Name _____	Age _____
17.00	27.00	41.00	Address _____	
\$13.00	\$21.00	\$31.00	Name _____	Age _____
			Address _____	
\$13.00	\$21.00	\$31.00	Name _____	Age _____
			Address _____	
\$13.00	\$21.00	\$31.00	Name _____	Age _____
			Address _____	
\$18.00	\$21.00	\$31.00	Name _____	Age _____
			Address _____	

In event you wish to declare additional named persons, continue on second application blank but omit space designated for first named person.

- Please X this square if you wish regular claim forms sent directly to each named person.
- Please X this square if you wish sterile claim forms sent directly to each named person.

**CHECK OR MONEY ORDER MUST ACCOMPANY APPLICATION.**

Accepted on \_\_\_\_\_ Date \_\_\_\_\_

By \_\_\_\_\_

Both statements on reverse of this application MUST be signed.

(over)

(1)

STATINTL

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